



September 4, 2019

Ex Parte Notice

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**RE: *Updating the Intercarrier Compensation Regime to Eliminate Access Arbitrage,*
WC Docket No. 18-155**

Dear Ms. Dortch:

On Friday, August 30, 2019, the undersigned on behalf of NTCA–The Rural Broadband Association (“NTCA”) spoke with Nicholas Degani and, separately, Nirali Patel from the office of Chairman Ajit Pai regarding matters in the above-referenced proceeding.

Consistent with prior advocacy in this proceeding, NTCA first noted that industry support for a “Prong 1” approach to addressing access arbitrage as described in the Notice of Proposed Rulemaking (“NPRM”) had been expressly premised on retention of the existing definition of access stimulation. *Ex Parte* Letter from AT&T, *et al.*, to Marlene H. Dortch, Secretary, Federal Communications Commission (the “Commission”), CC Docket No. 01-92, *et al.* (filed Nov. 16, 2017) (“The undersigned parties further agree that this proposal is limited to access stimulating carriers as defined currently in the Commission’s rules and is not intended to change any existing exchange points or to prejudge any ultimate Commission decision on further intercarrier compensation reform including the network edge.”) Indeed, there is significant concern regarding the prospect and impacts of such an approach on innocent carriers that have no involvement whatsoever in alleged “traffic pumping” activities. *See* Comments of NTCA, WC Docket No. 18-155 (filed July 20, 2018).

NTCA further believes, consistent with its long-standing advocacy that, if the Commission were nonetheless to modify the definition of access stimulation, it should instead adopt the two-prong approach proposed in the NPRM – and, moreover, any change to the definition should recognize that the revenue sharing component has been critical in enabling innocent small rural carriers that have no involvement in such activities to defend themselves against baseless assertions of access stimulation. NTCA therefore reiterated that any change to the definition of access stimulation must be structured carefully to ensure that smaller rural operators do not become embroiled in disputes and self-help measures by larger carriers simply due to traffic imbalances that have no relationship whatsoever to access stimulation. *See id.*; *see also Ex Parte* Letter from Rebekah P. Goodheart, Counsel for NTCA, to Marlene H. Dortch, Secretary, Commission, WC Docket No.

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18-155 (June 11, 2019) (“While NTCA supports efforts to eliminate arbitrage of the intercarrier compensation system, the Commission should take care to prevent unintended harms to LECs. NTCA also noted that if the second prong is not adopted, other measures become increasingly important to ensure that innocent LECs do not bear significant additional transport costs and/or suffer from ‘self-help’ withholdings by IXCs.”)

Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission’s rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Michael R. Romano

Michael R. Romano
Senior Vice President –
Industry Affairs & Business Development

cc: Nicholas Degani
Nirali Patel